



Indian and Northern
Affairs Canada

Affaires Indiennes
et du Nord Canada

PROGRESS REPORT

for the year ending March 31, 2008

First Nations National Child Benefit Reinvestment



Canada

*It is up to us to build on the legacy we have inherited,
to seize the opportunities of the future,
and to bring about an even better Canada for our children.*

Speech from the Throne, October 2007

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List of Acronyms

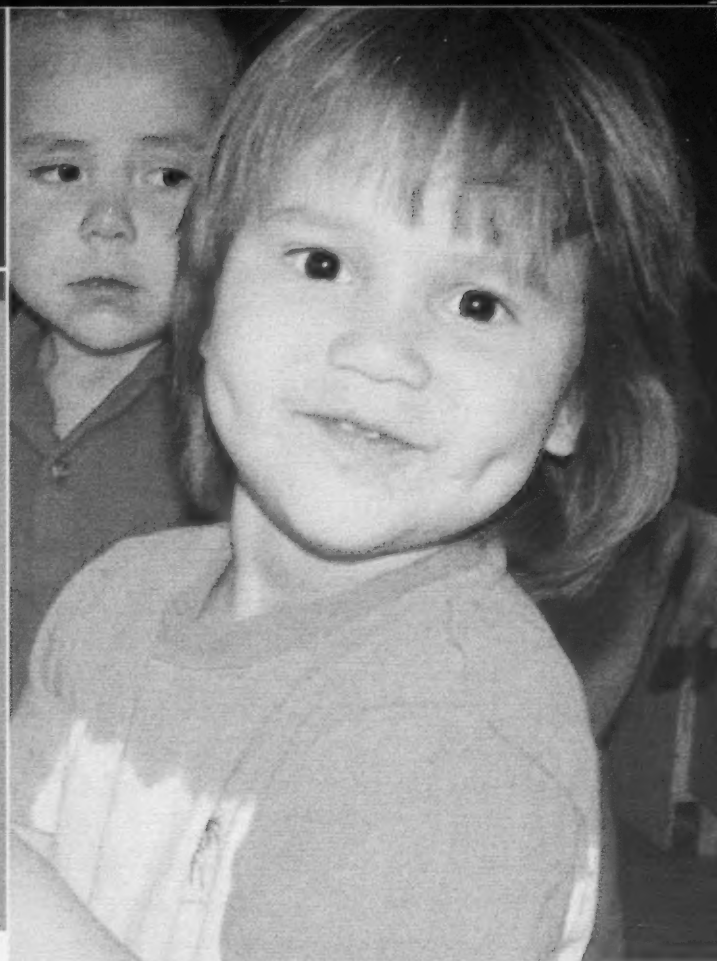
AB	Alberta
AHRDA	Aboriginal Human Resources Development Agreement
BC	British Columbia
CRA	Canada Revenue Agency
IA	Income Assistance
INAC	Indian and Northern Affairs Canada
HRSDC	Human Resources and Social Development Canada
NCB	National Child Benefit
NCBS	National Child Benefit Supplement
CCTB	Canada Child Tax Benefit
MB	Manitoba
NCBR	National Child Benefit Reinvestment
PEI	Prince Edward Island
SK	Saskatchewan
YK	Yukon

Definitions

Income Assistance: a program of last recourse that provides financial supports to meet basic needs (food, clothing, and shelter) and special needs, and employment-related support for individuals and families. Also commonly referred to as “social assistance” and “welfare”.

Executive Summary

Indian and Northern Affairs Canada's (INAC)' National Child Benefit Reinvestment (NCBR) is the on-reserve counterpart to one component of the broader National Child Benefit (NCB) initiative, a child poverty initiative that was jointly established in 1998 by federal, provincial, and territorial governments. The lead federal department for the NCB initiative is Human Resources and Social Development Canada (HRSDC).² As per the federal/provincial/territorial NCB partnership, provinces and territories administer the NCBR off-reserve, while INAC is responsible for the NCBR on-reserve in collaboration with HRSDC.



The NCB has three objectives:

- to help prevent and reduce the depth of child poverty;
- to promote attachment to the workforce by ensuring that families will always be better off as a result of working; and,
- to reduce overlap and duplication by harmonizing program objectives and simplifying administration.

To achieve those objectives, the NCB consists of two key components:

- a financial benefits component for low to middle income families with children, consisting of the federal Canada Child Tax Benefit and the National Child Benefit Supplement, and in some provinces/territories an additional provincial/territorial "integrated" child benefit; and,
- a reinvestment component (the National Child Benefit Reinvestment), which funds community-based supports and services that attend to the needs of the target population.

Through INAC's NCBR, First Nations are able to direct reinvestment funding to self-prioritized activities in line with the stated objectives of the NCB. Given the unique scope and flexibility of the NCBR, First Nations have been able to establish and operate a wide range of programs and services that otherwise would not exist in many communities.

In 2007-2008, First Nations reinvestments in projects for low income parents and their children amounted to just over \$57 million; since the beginning of the initiative in 1998-1999, reinvestments on-reserve have totalled more than \$523 million. A total of 109,249 families and 202,281 children benefited from NCBR programming during the fiscal year. This report describes the goals, expenditures, and types of projects offered, and reflects the shared efforts of First Nations and the Government of Canada in providing supports to reduce the depth and effects of child poverty in First Nations.

1 | At the time of publishing of this report, the common name of this department has changed to Aboriginal Affairs and Northern Development Canada (AANDC). However, during the fiscal year 2007-2008 covered by this report, it was known as Indian and Northern Affairs Canada (INAC).

2 | At the time of publishing of this report, the name of this department has changed to Human Resources and Skills Development Canada. However, during the fiscal year 2007-2008 covered by this report, it was known as Human Resources and Social Development Canada.

Introduction: Progress Report on First Nations Reinvestments

This report provides Canadians with information about the National Child Benefit Reinvestment (NCBR) on-reserve, providing highlights on First Nations' NCBR success stories as well as insight into innovations and challenges. This 2008 Progress Report represents the ninth edition since the inception of the National Child Benefit (NCB) initiative in 1998.

This progress report:

- provides background information on the National Child Benefit (NCB) initiative, including the National Child Benefit Reinvestment (NCBR) component;
- outlines the purposes and activities of Indian and Northern Affairs Canada's First Nations National Child Benefit Reinvestment;
- describes the kinds of projects established by First Nations using NCBR funding;
- offers quantitative data to illustrate the scale of NCBR projects on-reserve;
- provides examples of projects delivered by First Nations using NCBR funding; and,
- highlights the achievements of First Nations under the NCBR from its inception through to the 2007-2008 fiscal year.



National Child Benefit: Background

Prior to the introduction of the National Child Benefit in 1998, there was minimal collaboration in the design and delivery of federal child benefits through the tax system and provincial/territorial supports through social assistance programs. Although both systems were intended to help families escape poverty, the interactions between them (as well as with the labour market) inadvertently created barriers and disincentives for parents/guardians to move from welfare to work. Families in receipt of social assistance were receiving numerous cash and "in kind" benefits on behalf of their children that were not available to low-income employed families. Further, because social assistance benefits are designed to increase with family size whereas employment wages are not (minimum wage is minimum wage, regardless of family size), parents/guardians who moved from welfare to work might see only a minimal increase, if any at all, in their family's income – in reality, their family income could actually decrease.

Further, leaving welfare often meant a loss of other valuable supports including health, dental and prescription drug benefits. When the cost of other job-related expenses such as child care, transportation, and clothing/equipment requirements were factored in families could actually find themselves worse off for taking a job than they had been while receiving social assistance. These barriers and disincentives are what has commonly been referred to as the "welfare wall".

To better address child poverty, and in recognition of the "welfare wall", the need for development of a National Child Benefit was identified by Premiers in their Ministerial Council Report on Social Policy Reform and Renewal (March 1996) and adopted as a priority during the



August 1996 Annual Premiers Conference. The National Child Benefit (NCB) initiative was introduced in the 1997 federal budget, and the program was launched in 1998.

The objectives for the National Child Benefit are as follows:

- to help prevent and reduce the depth of child poverty;
- to promote attachment to the work force by ensuring that families will always be better off as a result of working; and,
- to reduce overlap and duplication by simplifying the administration of benefits for children.

The intent of the National Child Benefit was to replace the children's portion of welfare benefits with an income-tested child benefit available to all low income families. Having children's benefits delivered outside of welfare, and available to families regardless of the source of their income (e.g., social assistance, low-wage employment, Employment Insurance or other income support program) would ensure that families moving from welfare to work would not face interruption or loss of supports for their children.

Reducing Child Poverty – The Two Components of the NCB

The National Child Benefit initiative integrates federal, provincial and territorial systems³ of income support for children into a platform of child benefits available to families on social assistance as well as low income working families. The NCB combines two key components: (1) monthly financial benefits for low to middle income families with children, and (2) a reinvestment component, which provides community-based supports and services for low income families with children.

(1) The Financial Benefits Component

The NCB financial benefits component consists of the federal Canada Child Tax Benefit (CCTB) and National Child Benefit Supplement (NCBS), and in provinces and territories that have reached full implementation of the National Child Benefit also includes a provincial/territorial integrated child benefit.

The CCTB is a base benefit aimed at low and middle income families (approximately 80% of Canadian families receive the CCTB); the NCBS is a supplemental benefit, provided in addition to the CCTB for families whose income falls below established thresholds (approximately 40% of families are eligible for some portion of the NCBS). Eligibility is established by means of an initial CCTB/NCBS application (upon the birth or addition of a child), and in subsequent years by a Canada Customs and Revenue Agency income test, calculated on the basis of information contained in income tax returns. The benefit year runs from July to June each year (e.g., a family's 2006 income tax return will determine the benefits they receive from July 2007 to June 2008); families whose total income is not greater than the applicable maximum level receive monthly payments in accordance with the number and ages of children and their net income.



A significant feature of the financial benefits component of the NCB is that benefits are payable to families who meet an income eligibility test whether they are working or receiving income assistance. Thus, parents who find employment but have low earnings will continue to receive child benefit payments to help them maintain the independence they have gained as members of the workforce if their income should fall below the established threshold.

The CCTB and NCBS financial benefits for low income families are tax free and adjusted to stay in line with increases in the cost of living. Since its beginning, the NCBS has been increased annually, and, from January 2000, both the NCBS and the CCTB have been fully indexed. Maximum allowable income levels have also been raised: for the period from July 2007 to June 2008 the maximum annual payments (both base benefit and supplement) were increased to \$3,271 for the first child, plus \$3,041 for the second child, and \$3,046 for the third and each subsequent child. Families with net

3 | The Government of Quebec, although agreeing with the basic principles of the National Child Benefit, has not taken part in its development as it has chosen to assume control of benefits/supports for the children of Quebec. Consequently, any reference to joint federal/provincial/territorial positions in this report does not include Quebec.

annual income below \$20,883 (2006 income tax return) were eligible for maximum CCTB/NCBS benefits in 2007-2008; families with net incomes between \$20,883 and \$37,178 were entitled to maximum CCTB and partial NCBS, while families with net income above \$37,178 were eligible for only the base benefit of the CCTB.⁴

In addition to the federal financial benefits, provincial/territorial supplements are also available to low-income families in some jurisdictions. These additional provincial/territorial investments are administered together with the federal CCTB and NCBS, and as such are referred to as "integrated child benefits". To move to an integrated child benefit approach, a province/territory removes the children's basic needs amount from social assistance and provides those funds to the Canada Revenue Agency to administer as an integrated child benefit on the province's/territory's behalf. The provincial/territorial child benefit amount is at least equivalent to or slightly higher than the amount that was removed from the social assistance entitlement, so that families in receipt of income assistance do not see any reduction in their overall monthly income.

The supplementary provincial/territorial programs in force in 2007-2008 included:

- Northwest Territories Child Benefit;
- Nunavut Child Benefit;
- Yukon Child Benefit;
- British Columbia Family Bonus;
- Alberta Family Employment Tax Credit;
- New Brunswick Child Tax Benefit;
- Nova Scotia Child Benefit; and,
- Newfoundland and Labrador Child Benefit.

The integrated child benefit approach represents the full implementation of the National Child Benefit initiative, and corresponds to the third objective of the NCB as it

simplifies the administration of benefits for children. The approach reduces the cost of administration of child benefits as it takes advantage of economies of scale; Canada Revenue Agency determines eligibility and administers federal and provincial child benefits together using one streamlined process.

(2) The Reinvestment Component

As per the terms of the F/P/T National Child Benefit Governance and Accountability Framework, introduction of the National Child Benefit Supplement allowed provinces and territories to reduce their income assistance rate schedules by an amount up to or equal to the NCBS without negatively affecting the overall monthly income of families in receipt of income assistance. This was part of the design of the National Child Benefit, so that while overall financial benefits to social assistance families would not decrease, the provinces/territories would realize social assistance "savings". The agreement was that provinces/territories would then reinvest these "savings" into services and supports for children in low income families – this is the National Child Benefit Reinvestment (NCBR).

Most provinces and territories have opted to modify their income assistance schedules and use the freed-up funds for National Child Benefit Reinvestment (NCBR) programming. New Brunswick has chosen not to recover the NCBS, so has no funds available for NCBR, and though Manitoba did initially recover the NCBS for NCBR, it ceased doing so in 2005 (allowing the NCBS to flow directly through to families after that time). To determine on-reserve funds for NCBR, INAC regions mirror the reinvestment model used by the reference province/territory – therefore, the NCBR on-reserve does not operate in the provinces of New Brunswick and Manitoba. Appendix A to this report provides more detail, outlining the various approaches taken by provinces, territories, and First Nations in offsetting social assistance funds for NCBR projects/programming.

⁴ | The level of this benefit also decreased as taxable income increased, and was fully phased out once income reached \$101,328.

Under the NCBR, provinces and territories have reinvested in programs and services under six main activity areas:

- *Child benefits and earned income supplements* – to provide low income families with more money so parents can stay in jobs working toward higher wages;
- *Child/day care initiatives* – to assist low income families cover extra child care costs incurred when working;
- *Early childhood services and children-at-risk services* – to help children get a healthy start in life by providing support to low income families when their children are young;
- *Supplementary health benefits* – so that families can keep important health benefits when they move from welfare to work;
- *Youth initiatives* – for a range of benefits and services designed to assist and support youth, with particular attention to youth-at-risk; and,
- *Other NCB initiatives* – other programs and services as determined by individual provinces and territories.



The National Child Benefit on-Reserve

As with the National Child Benefit off-reserve, the NCB on-reserve combines two key components: (1) financial benefits for low to middle income families with children, and (2) a reinvestment component, which provides community-based supports and services for low income families with children.

(1) The Financial Benefits Component

Low income families residing in First Nation communities receive the Canada Child Tax Benefit and the National Child Benefit Supplement under the same eligibility conditions that apply to families in other areas of the country. Families are required to file an income tax return to provide the Canada Revenue Agency with the information needed to calculate their entitlement. The amount of the benefits provided to help with the cost of raising children is based on the family's net (taxable) income as well as the number and ages of the children; benefits are payable to families whose income falls below established thresholds, regardless of whether they are working or receiving income assistance.

Some provinces/territories that have fully implemented the integrated child benefit approach receive reimbursement from INAC for the on-reserve costs. During the 2007-2008 fiscal year, INAC provided funding to reimburse the Yukon Territorial Government for integrated child benefits to low income families with children considered ordinarily resident on-reserve. In the sections and tables that follow in this report, these reimbursement funds to P/Ts are identified as the "additional investment envelope".

(2) The Reinvestment Component

The First Nations Child Benefit Reinvestment has been structured to provide supports and services for children in low income families on-reserve. Though it is intended to provide supports at "levels comparable to provincial/



territorial standards", it has purposely been designed to offer some supports that differ from provincial/territorial approaches. This is because some services provided off-reserve by the NCBR are already available on-reserve through other programs, and the NCBR on-reserve is not intended to replace or duplicate these programs/services. For example, the off-reserve NCBR provides supplementary health benefits for families leaving social assistance. For many families on-reserve, supplementary health benefits are provided by Health Canada's First Nations Inuit Health Benefits. Thus, to utilize the on-reserve NCBR for these benefits would unnecessarily duplicate an already available service.

To maximize the impact of the National Child Benefit Reinvestment on-reserve while avoiding duplication, INAC's NCBR has been structured to provide benefits and programming under the following five (5) activity areas:

- *Child Care/Day Care* – to create additional child care spaces and enhance existing day care facilities so that more families with low incomes are able to access day care or have their child care costs reduced;
- *Child Nutrition* – to support projects such as school meal programs, and workshops for parents on

family nutrition and meal preparation, to improve the health and well-being of children in low income families;

- *Support to Parents* – for projects such as parenting skills classes, parent-child support classes, and drop-in centres to provide early intervention for parents/guardians to help their children with a healthy start in life;
- *Home-to-Work Transition* – to provide supports that reduce employment barriers, including training to increase the skill level of parents/guardians/youth to increase their chance of obtaining or keeping employment; and,
- *Cultural Enrichment* – for projects that teach traditional culture, provide peer and family support groups and bring together elders, children and youth.

Projects funded under the NCBR vary from First Nation to First Nation and cover a wide range of services according to the needs and preferences determined

by the communities themselves. This flexibility is an important feature of the initiative, as it permits First Nations to implement projects that not only are targeted at alleviating the effects of child poverty, but also are culturally relevant and responsive to the unique characteristics of each community.

The following table shows the number of projects that First Nations have achieved with reinvestment funding since 2002-2003. The 2007-2008 year saw a small decline in the number of projects. However, projects vary widely in size and scope so care should be taken when interpreting the numbers. Projects themselves change and adapt in order to provide better or more integrated services or programming, which may impact both the scope and number of projects; a decline in project numbers does not necessarily equate to a decline in use or importance of NCBR in First Nations communities. Indeed, total NCBR funding increased in 2007-2008 to more than \$57.1 million from \$52.6 million in 2006-2007, indicating that while there is a decline in the number of projects, use of the NCBR in First Nations communities is by no means diminishing.

Table 1: Numbers of NCBR Projects from 2002-2003 to 2007-2008, by Region

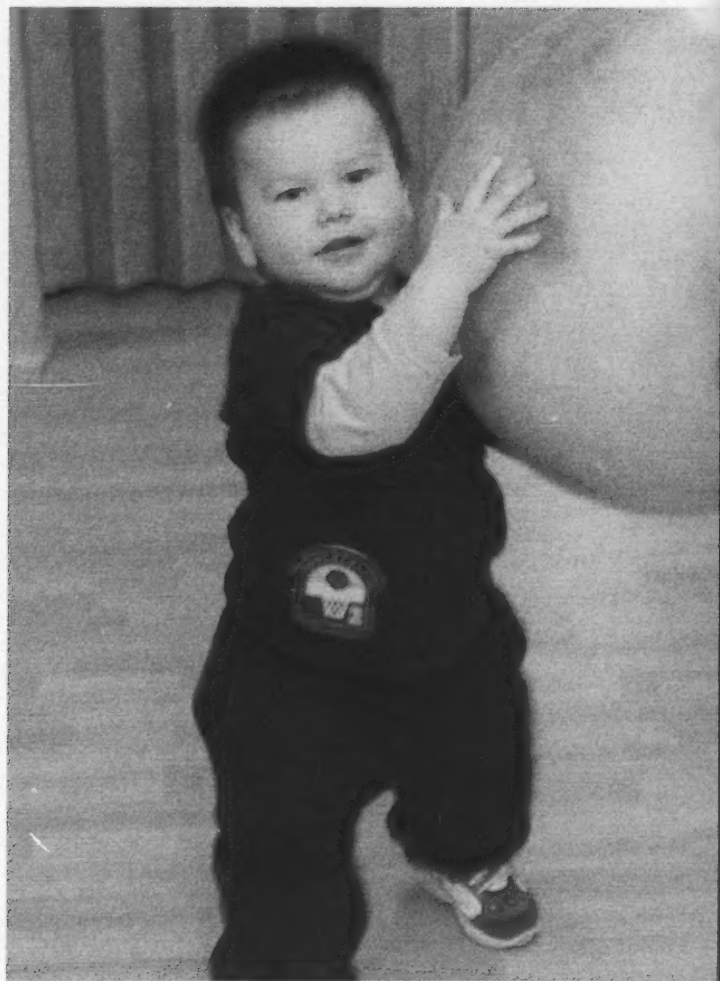
Region	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Atlantic ¹	15	7	18	17	9	8
Quebec	78	64	99	109	105	98
Ontario	78	52	202	248	489	474
Manitoba ²	248	99	0	0	0	0
Saskatchewan	81	72	180	218	616	688
Alberta	163	157	187	331	285	241
British Columbia	642	959	873	499	457	245
Yukon	29	13	10	7	5	17
Total	1,334	1,423	1,569	1,429	1,966	1,771

1. Figures for the Atlantic Region include First Nations in Nova Scotia and Prince Edward Island only, as New Brunswick does not recover funds for NCBR programming.

2. As of 2004-2005, the Province of Manitoba stopped recovering NCBS payments, instead choosing to have the NCBS flow directly through to families; therefore, there were no funds available for NCBR programming in the Manitoba Region.

5 | For example, two complementary projects worth \$2,000 each may merge to become one project worth \$4,000.

The NCBR program delivered by INAC is primarily project-based and proposal driven.⁶ A First Nation administering authority (either a First Nation band, organization, or other First Nation-authorized entity) identifies service gaps and priorities through consultations with the community, then applies for NCBR funding to meet the identified needs. Projects may fall under one or more of the five activity areas described above. This process has led to a wide range of supports and services that vary greatly among First Nations and are based according to local needs.



6 | With the exception of some multi-year block-funded First Nations, whose NCBR funding is included in the provisions of their multi-year agreement.

Accountability and Monitoring

According to the terms of funding agreements, most First Nations must report annually on NCBR projects. First Nations that receive their NCBR funding through multi-year 'block' funding agreements are often not obligated to report on NCBR, however many of the multi-year block-funded First Nations choose voluntarily to report on their NCBR activities.

To measure achievement of the objectives of the First Nations' NCBR, participating First Nations report to INAC on inputs, activities, and results related to projects generated by their NCBR funding. The annual reports submitted by First Nations list the titles of the NCBR projects and outline the purpose, activities, and resources for each project carried out during the year. Short descriptions of accomplishments and project outcomes, including the number of children and families who have received help, are also reported.

First Nations provide their NCBR reports to INAC regional offices. In turn, the regional offices roll up the reports and provide a summary report to INAC Headquarters. The regional summary reports form the basis for INAC's input to the annual federal/provincial/territorial report to the Ministers Responsible for Social Services. In addition, the INAC regional reports are rolled up into this annual progress report, which provides Canadians with information on the results of INAC's National Child Benefit Reinvestment and gives important feedback to First Nations on innovations, challenges and other aspects of reinvestment projects. Ongoing data collection and reporting is an important part of managing the National Child Benefit Reinvestment on-reserve.



Projects from the Five First Nations NCBR Activity Areas

As noted above, First Nations NCBR projects fall under five broad activity areas: child care/day care, child nutrition, support to parents, home-to-work transition, and cultural enrichment. Each eligible activity area is described in more detail below, including an explanation of how each supports the initiative to meet desired outcomes. Project examples from each region are also included, which illustrate a variety of community successes.

Activity Area: Child Care/Day Care

The main purpose of child care/day care projects is to provide new or additional spaces in child care facilities for children from low income families whose parents are seeking employment, working, or enrolled in training programs. Although creation of additional spaces is stressed, subsidies may also be issued to help meet the operational costs of existing facilities, thereby reducing the direct costs to parents who are working or in training. If such subsidies are permitted, they are paid directly to the child-care facility operators.

Stated NCBR desired outcomes are well served by the child care/day care activities funded under the initiative, as these activities provide the basis for improvements to children's health and development, school readiness and ability to learn, and provide greater opportunity for parents' participation in training and the labour market.

A Success Story: Cumberland House Cree Nation – Day Care Caregiver

Under the category of child/day care, Cumberland House Cree Nation in Saskatchewan has developed a project to employ a member of the community in the local day care, with a view to increase the amount of available spots for families requiring this service.



Prior to the NCBR child/day care project, Cumberland House Cree Nation employed two child/day caregivers, and had seen an increase in demand for child care services and spaces that had resulted in the development of a waiting list of 20 children. Operating under a day care policy that defines the number of children allowable based on the number of staff, with the two caregivers Cumberland House was only able to accommodate three infants and five toddlers for a total of 8 children. As the community day care had extra physical space to expand, NCBR funding was accessed to hire another person which resulted in another five children being accepted to the day care. This addressed a community need for more spaces.

Immediate benefits achieved as a result of this project included:

- full-time employment for an individual from the community employed as the additional child/day caregiver;
- reduction of the waiting list for child care; increased opportunities for wait-listed parents to attend work or training;

- increase in social interaction and development of children in preparation for the school system; and,
- maximized use of available physical space in the day care building.

Total amount of NCBR funding expended on this project in 2007-2008 was \$13,406. Over the course of the year, a total of 10 families and 13 children benefited.

Activity Area: Child Nutrition

This activity area includes projects intended to support the desired outcome of reducing the effects of child poverty, by supporting children's health and development. Examples include delivering food hampers to homes of low income families or educating parents about meal preparation and the nutritional needs of their children. The scope of this activity area allows NCBR funds to cover the cost of meals at summer day camps, Christmas food hampers, food banks, and community kitchens.

A Success Story: Thunderchild First Nation – Food Security Initiative

Thunderchild First Nation is an independent Cree First Nation located approximately 113 kilometers northwest of North Battleford, Saskatchewan. Under the category of child nutrition, Thunderchild First Nation has designed a multi-faceted community program that aims to alleviate the effects of child poverty by enhancing nutrition for families on-reserve. The program offers a variety of activities related to food security and special diets (e.g., diabetes cooking group, Elders lunch menu planning), but it also combines several health programs and food security strategies to engage:

- low income families;
- families on income assistance;
- individuals living with chronic illnesses; and,
- individuals who are pregnant.

Participants in this project were provided with various opportunities, workshops and classes to educate themselves and their families on the benefits of healthy eating. Strategies employed with the various client groups included:

- cooking classes for families with school-aged children;
- home-made baby food making; and,



- distribution of monthly good food boxes to low income households with health issues (this strategy was provided in conjunction with the Aboriginal Diabetes Initiative and the Maternal Child Initiative).

Total amount of NCBR funding expended on this project in 2007-2008 was \$12,941. Over the course of the year, approximately 102 families with children benefited.



Activity Area: Support to Parents

This activity area includes projects designed to support and equip low income parents/guardians to give their children a sound start in life. Examples include after-school homework programs, developmental screening projects, drop-in centres, parental-skills training, and other activities that will help parents support their children's positive social development. This activity area represents opportunities to assist children in the area of school readiness and ability to learn as well as supporting greater participation by parents and guardians in their communities.

A Success Story: Timiskaming First Nation – CHNT Kids Wake Up and Get Educated

CHNT Kids was a radio program that aired from 7:00 a.m. to 8:00 a.m. daily, for all Timiskaming First Nation youth; the program was called "Wake Up and Get Educated". Youth from the community were encouraged to call in to the station to request songs, and their names would be entered into a draw. The draws were done everyday, with a chance for the winner to receive a gift certificate of their choice. Throughout the morning program, "say no to drugs" education information and other updates were aired. This program was developed by CHNT to help parents get their children up out of bed and ready for school each day. It was also used as an opportunity to support youth with education and drug awareness – all the while, making it entertaining and fun!

The levels of participation and encouragement of this program made it a huge success, not only for CHNT, but for all youth and families in the community. The "Wake Up and Get Educated" program provided valuable supports to parents, and met a fundamental communication need, bringing children, families, and community members together to start their days on a positive note.

A total of \$1000 NCBR funding was utilized for the CHNT Kids "Wake Up and Get Educated" project, and at least 40 children and families benefited.

Activity Area: Home-to-Work Transition

This activity area covers projects that work to achieve the goal of supporting attachment of families to the work force. National Child Benefit Reinvestment funds are used for projects that reduce employment barriers, such as providing transportation and other employment-related supports, and for projects that increase employability such as summer student work programs, general job-skills training, specific trade and business training, internships, craft workshops, and personal skills development that may improve employment prospects. The participation of parents, guardians and youth (under the age of 18) in the labour market and the gaining of financial independence are outcomes of this activity area.

A Success Story: Eagle Vision Program

Sto:lo Nation is located in the Fraser Valley of British Columbia, and serves a population of approximately 2,100 persons. Sto:lo Nation Social Development provides services to Aitchelitz, Matsqui, Popkum, Skawahlook, Skowkale, Shxwhà:y Village, Squiala, Tzeachten, and Yakweakwioose First Nations.

Sto:lo Nation's Eagle Vision Program targets parents/guardians who are long-term social assistance recipients (greater than five years) and single parents with serious barriers to independence. Partners in the program include Sto:lo Nation Human Resources Development which provides access to Career Development Practitioners for workshop one-to-one supports; Yellow Cedar Learning Centre, which provides in-kind services of assessment and remediation of learning and literacy issues, and Qwi Qwelstom Restorative Justice Program, which facilitates traditional Sto:lo forms of dispute settlement, healing circles, case management and one-to-one intervention.

The Eagle Vision Program is a twelve week pre-employment program. Clients discover their blocks to moving beyond income assistance in a cultural and supportive atmosphere. They learn crafts for pride and confidence building, family tree and culture for self-identity, and

field trips to discover new resources. The workshop is divided into three modules: self-discovery; personal skills development, and creating the journey; each model is four weeks in duration.

The Sto:lo Nation is committed to assisting families to achieve security and independence. The Eagle Vision Program, as a stepping stone to employment, contributes to improved security and independence. In the 2008 Eagle Vision Program, all 16 participants moved on to successful outcomes (education, employment or, when applicable, drug and alcohol treatment).

A Success Story: Opitciwan Practice Firm

The Opitciwan First Nation is located south of Chibougamau, Quebec, approximately halfway between the Lac Saint-Jean plain and the Abitibi region. The Opitciwan Practice Firm offers various work projects to targeted clients including youth who are unemployed and not currently attending school, women, people with unsettled job situations, and income assistance beneficiaries. The clients may be undereducated or have little work-related experience. Contrary to a job-finding firm, a practice firm gives access to the job market to a greater number of participants at a lower cost. It also offers numerous types of jobs requiring different capacities through several projects, encouraging participants to find a job that integrates the needs, interests and capacities of each person. The goals of the Practice Firm are the development of clients' generic skills and assisting in linking a person's interests to an available job, ultimately allowing the person to become self-sufficient.

The Opitciwan Practice Firm services are coordinated by an Employability Development Practitioner, who works with each client to develop a plan (contract) intended to help her or him reach their professional objectives. For example, the person can work in one of the Opitciwan Practice Firm's projects, or they can undertake exploration or career choice training periods, a work integration period, work training period, find long term employment or go back to school.

8 | Based on the Medicine Wheel theory.

The percentages of clients who completed their contract and found a job or went back to school vary year to year. Although the 2007-2008 program was the least successful of the previous five years (45% completion), the program averaged a 70% completion rate over the previous five year period. Those clients were successful in finding employment, completed training or went back to school. These are people who have left Income Assistance and will not return in the short term.

Activity Area: Cultural Enrichment

The cultural enrichment activity area includes projects intended to support First Nations youth and community development through learning about culture, customs, values and language. This diverse activity area provides opportunities for First Nation communities to engage in programming that teaches traditional culture, provides peer support groups, and brings together community elders, children and youth.

A wide variety of cultural enrichment projects were funded by First Nations in 2007-2008. Projects with a cultural focus included youth centres, group activities for elders, children, and youth, teaching of traditional culture (e.g., language, art, music, and storytelling), celebrations, youth support projects, peer support groups, and cultural exchange programs. The intended outcome of this activity area is increased self-esteem and self-confidence for children, youth, and families, which in turn contributes to increased productivity and improved chances for longer-term self-sufficiency.

A Success Story: Kawacatoose First Nation - Cultural Enrichment Program

Under the category of cultural enrichment, Kawacatoose First Nation in Saskatchewan developed a project to provide and enhance cultural teachings for community children. The project consisted of a three-day outdoor cultural camp, during which the children participated in the following activities:

- learning from Elders through story telling;
- presentations from Elders and other community members on how to respect the land;
- learning how to process elk, deer, moose and rabbit meat for consumption and other uses;
- learning how to dry meat and not waste any;
- learning from men in the community about how to be safe while hunting;



- learning how to erect a tipi – what the poles represent, and how the tipi symbolizes women in that she is the keeper of the camp; and,
- learning how to survive without the luxuries of modern life.

For some of the youth/children, the early fall culture camp provided an additional benefit, in that it also counted toward earning a credit in the education program.

Results of the culture camp project included:

- increased cultural awareness for participants;
- increased awareness for youth/children of community and cultural history;
- increased unity between age groups;
- increased understanding of survival skills;
- increased number of youth/children demonstrating respect for the things they have in life; and,
- increased community interest in participating in similar/subsequent culture camp projects.

Total amount of NCBR funding expended on the culture camp project was \$24,230. Approximately 30 families and 75 children benefited from the project.



Summary and Observations

The delivery of the National Child Benefit Reinvestment is not a matter of uniformity; in addition to communities identifying different strategies and priorities in addressing child poverty, there are differences in how the NCBR is delivered across Canada. For example, the NCBR is not delivered in the provinces of Manitoba, New Brunswick or Newfoundland and Labrador, as these provinces have elected to have the NCBS go directly to families on-reserve in addition to their social assistance benefits, rather than recover and reinvest the savings through NCBR programming.

Another factor that contributes to regional variations in use of NCBR is the fact that most social supports and services (e.g., social assistance) are provincially legislated. As provincial regimes vary in approach and in scope, likewise the range and availability of supports and services varies from province to province. Therefore, differences in regional NCBR expenditures by activity area (e.g., child care, home-to-work transition) may reflect to a significant extent the availability (or lack thereof) of those services under the reference provincial/territorial regime. For example, there is comparatively little need to use NCBR funds for home-to-work transition in Ontario because First Nations may choose to provide most of these types of services and activities directly through the employment supports component of "Ontario Works" (Ontario's social assistance program).

Figure 1, below, illustrates the percentage of NCBR expenditures by activity area for 2007-2008, while Figure 2 shows percentage NCBR expenditures broken down by INAC Region. Primarily due to activities in Quebec, Saskatchewan, and Alberta, a large proportion of NCBR activities undertaken by First Nations were directed



at providing assistance to families to bridge the gap in home-to-work transition supports. Child nutrition projects are highly valued by many First Nations communities; in Ontario and British Columbia, the majority of NCBR expenditures were directed toward child nutrition. In Atlantic Region, the most common use of NCBR fell under the support to parents category, while in the Yukon, the most popular use of NCBR funding was for cultural enrichment activities.

Figure 1: Percentage of Total NCBR Expenditures by Activity Area, 2007-2008

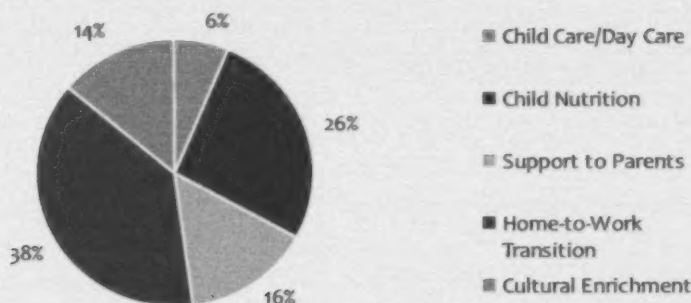
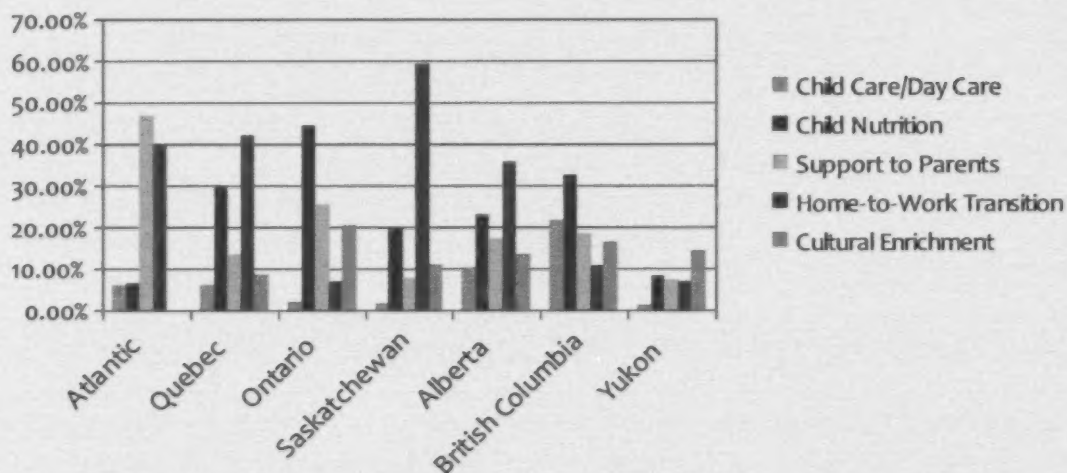


Figure 2: Percentage of Regional NCBR Expenditures by Activity Area, 2007-2008



* Data does not include additional investment envelope of 702.3K (to Yukon)

The total amount of First Nations NCBR expenditures per region and percentage of regional total is depicted in the Table 2 below. While it may be noted that some regions have greater NCBR expenditures, this can be attributed to the region investing a greater proportion of its overall social program budget (income assistance and NCBR) toward NCBR, in line with the reinvestment approach followed by the province.⁹

9 | For example, in 2007-2008 INAC Saskatchewan Region's NCBR expenditures were \$24,015,000 – more than double the amount for any other region. At first glance, it may appear that Saskatchewan's funding allocation was greater than the other regions. However, INAC Saskatchewan Region's social (combined Income Assistance and NCBR) funding is directly proportional to their Income Assistance caseloads, as are the other regions. Saskatchewan Region simply allocates more of their social allocation towards NCBR projects than other regions.

Table 2: Reinvestment Expenditures (\$000's) by Activity Area and Percentages of Total Funds by Region: 2007-2008

2007-2008	Child/Day Care	Child Nutrition	Support to Parents	Home-to-Work Transition	Cultural Enrichment	Subtotal	Integrated Child Benefit	Total
Atlantic ¹	134.1 6.13%	140.7 6.44%	1,029.9 47.11%	877.4 40.13%	4.0 0.18%	2,186.1 100.0 %		2,186.1 100.0%
Quebec	206.0 6.13%	996.7 29.66%	450.1 13.40%	1,411.2 42.00%	296.1 8.81%	3,360.1 100.0 %		3,360.1 100.0%
Ontario	213.9 2.21%	4,321.8 44.55%	2,457.9 25.34%	696.9 7.18%	2,010.0 20.72%	9,700.5 100.0 %		9,700.5 100.0%
Saskatchewan	418.7 1.74%	4,729.9 19.70%	1,920.6 8.00%	14,247.6 59.33%	2,698.1 11.24%	24,015.0 100.0 %		24,015.0 100.0 %
Alberta	986.6 10.32%	2,204.9 23.06%	1,673.1 17.50%	3,418.3 35.75%	1,279.7 13.38%	9,562.5 100.0 %		9,562.5 100.0%
British Columbia	1,585.6 21.98%	2,336.5 32.39%	1,327.0 18.39%	764.6 10.60%	1,200.8 16.64%	7,214.5 100.0 %		7,214.5 100.0%
Yukon	16.1 1.40%	95.1 8.27%	87.1 7.58%	82.8 7.20%	166.1 14.45%	447.1 38.90%	702.3 61.1%	1,149.4 100.0%
Total	3,561.0 6.23%	14,825.6 25.92%	8,945.7 15.64%	21,498.7 37.59%	7,654.8 13.39%	56,485.8 98.77%	702.3 1.23%	57,188.1 100.00%

1. Data for Atlantic includes NS & PEI only (as NB does not participate in NCBR programming).

The use of the NCBR for creation or extension of services by First Nations has grown since the introduction of the initiative. The importance of NCBR programming on-reserve is highlighted as the quality of projects and programs available to community members has improved. A key factor in the success of the NCBR on-reserve is flexibility; the First Nations themselves have the ability to identify the concerns their communities wish to target, and have the ability to develop or expand initiatives to address those concerns. Through time, communities have learned what initiatives are more successful in alleviating child poverty, and have adjusted their programming to better target their efforts.

First Nations NCBR projects reached significant numbers of families and children in every participating region. However, it has been recognized and acknowledged that the numbers include multiple counting of participants. Although NCBR project coordinators do their best to accurately record the number of children and adults involved in each project, because there may be more than one NCBR project in operation in a community at any given time the issue of multiple-counting of beneficiaries is exacerbated. For example, if the same child participates in three different NCBR projects, they may be counted (and reflected in the data) as three children. INAC is working with First Nations to mitigate these data issues by developing new data collection and reporting mechanisms aimed at improving the accuracy of the data.

Table 3: Numbers of Families and Children¹⁰ Benefiting from NCBR. Projects in 2007-2008

Region	Number of Families	Number of Children
Atlantic	741	1,523
Quebec	3,254	6,264
Ontario	9,083	17,374
Saskatchewan	59,458	110,355
Alberta	23,644	47,380
British Columbia	12,243	18,561
Yukon	826	824
Total	109,249	202,281

The scale of INAC First Nations National Child Benefit Reinvestments and Investments is illustrated in Table 4, which traces overall expenditures from 2002-2003 through to 2007-2008. During this time period, NCB investments and reinvestments on-reserve have totalled over \$332 million. Since the beginning of the initiative in 1998, the investments and reinvestments on-reserve have been in excess of \$523 million. First Nations activity levels in terms of funds re-directed into community services and benefits has illustrated a high level of participation by First Nations across the country.

Table 4: First Nations NCBR Expenditures (\$ 000's), by Region: 2002-03 to 2007-2008

Region	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total
Atlantic	991.4	757.1	3,908.3	2,573.9	2,044.2	2,186.1	12,461.0
Quebec	8,160.7	6,202.0	3,314.6	3,134.1	3,044.9	3,360.1	27,216.4
Ontario	8,118.1	7,343.8	8,856.0	9,168.8	9,116.8	9,700.5	52,304.0
Manitoba	3,209.1	1,763.9	-	-	-	-	4,973.0
Saskatchewan	16,851.4	18,815.5	19,763.2	22,709.6	21,180.1	24,015.0	123,334.8
Alberta	9,756.7	10,173.9	9,422.7	10,079.8	9,283.4	9,562.5	58,279.0
B.C.	5,972.9	6,268.5	6,918.8	6,603.6	6,490.6	7,214.5	39,468.9
Yukon	488.5	438.5	564.5	344.9	720.0	447.1	3,003.5
Subtotal	53,548.8	51,763.2	52,748.1	54,614.7	51,880.0	56,485.8	321,040.6
Add. YK	240.0	240.0	240.0	240.0	240.0	702.3	1,902.3
Inv. Env. SK	2,198.8	1,173.8	2,139.0	3,193.7	540.0	-	9,245.3
Total NCBR	55,987.6	53,177.0	55,127.1	58,048.4	52,660.0	57,188.1	332,188.2

¹⁰ | Numbers may include duplicates, as families/children may have benefited from more than one project.

Conclusions

Since its inception, the NCBR on-reserve has generated numerous benefits, both directly and indirectly, for First Nations communities. The funding has supported projects that have improved the conditions of life for low income parents and their children, enabling them to participate more fully in social, economic, and cultural activities. The management of NCBR-funded projects has benefited First Nations governments and agencies by promoting and developing local initiative and decision making. Local officials and administrators have developed knowledge and abilities that are transferable to other tasks and undertakings. The design of NCBR has contributed to community capacity building, productive partnerships, and supporting First Nations toward the common goal of strong, self-reliant communities.

The flexibility of the NCBR has allowed First Nations to identify their own needs and priorities in addressing social, health, and economic problems. Through the NCBR on-reserve, the Government of Canada has provided opportunities for First Nations communities to design and deliver projects that help families within their specific cultural environment. Financial investments and reinvestment supports and services, made available through the NCBR, have made it easier and more economically feasible for parents to transition to and remain in the workforce.



The NCBR is an important element of government supports to address child poverty and improve the well-being of children and families in Canada. First Nations and the Government of Canada continue to work together to achieve the shared goal of improving the quality of life for Aboriginal peoples, and the benefits gained by First Nations children through the NCBR on-reserve are a significant result of this common effort.

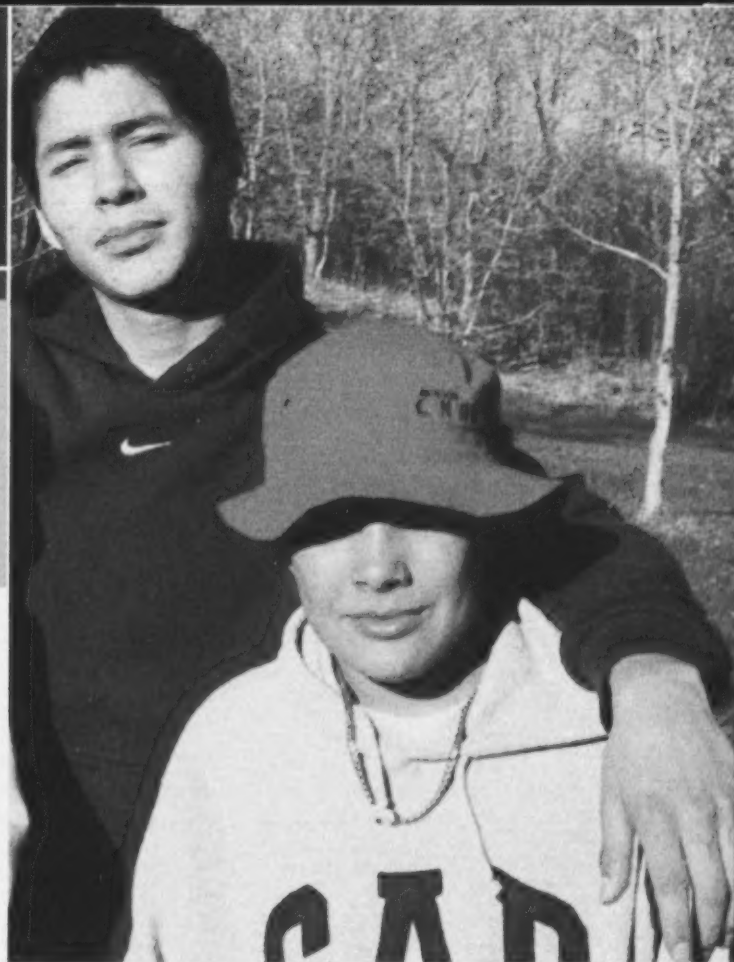
Appendix A: Provincial/Territorial Reinvestment Models

Various approaches have been taken by provinces and territories under the National Child Benefit to recover funds for reinvestment into supports and services for children in low income families.

Income Assistance Reduction: Through Income Assistance reductions, there are two approaches that provinces and territories can use. Under the first approach, all or part of the the NCBS is treated as “non-exempt income”, which is then directly deducted from a family’s income assistance entitlement (i.e., a family sees a direct deduction from their welfare cheque). The NCBS amounts deducted from families are pooled together and used for NCBR programming. This is the model used in Prince Edward Island and the Yukon Territory.

Under the second approach, the NCBS is considered “exempt income” and not directly deducted from a family’s welfare cheque. However, an amount is *indirectly* deducted through a downward adjustment in the income assistance rate schedules; income assistance benefits for families with children are reduced by an amount up to the total NCBS entitlement. The indirect savings to the income assistance program due to the downward adjustments are used for NCBR programming. This is the reinvestment model used in Alberta.

Integrated Child Benefit Approach with Adjustment: Some provinces have implemented an integrated child benefit approach, whereby the income assistance program has been restructured to remove the children’s “basic needs” entitlement and families instead receive the financial supports for their children through a separate income-tested child benefit (a provincial child benefit integrated with the federal child benefits). Under this approach, P/T contributions to the integrated child benefit are offset in full or in part by increases to the NCBS; the resultant P/T savings are used for NCBR programming. Therefore, when NCBS rates increase the funds available for NCBR programming also increase. The provinces of Saskatchewan and British Columbia have adopted this approach.



Integrated Child Benefit Approach Without Adjustment: Some provinces have opted to implement an integrated child benefit approach without offsetting the P/T child benefit contribution. In these jurisdictions, funds for NCBR are fixed at the amount available at the time of restructuring. Using this approach, provincial contributions to the integrated child benefit are *not* offset by subsequent increases to the NCBS. Therefore, under this model when NCBS rates increase the funds available for NCBR programming do not increase. Newfoundland and Labrador, Nova Scotia, and Quebec utilize this approach.

No Reinvestment: Some P/Ts have chosen not to recover the NCBS through their income assistance programs or applicable P/T child benefit regime. In these regions, the NCBS flows directly through to families, and is not recovered for NCBR programming. As no P/T savings are generated, there are no funds available for reinvestment, so NCBR programming does not operate in these regions. The Province of New Brunswick utilizes this approach, as does the Province of Manitoba.



PROGRESS REPORT

for the year ending March 31, 2008